

# Hanwha Newsletter

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**Celebrating** How Far We've Come and How Far We'll Go

# Chairman's Message Commemorating Hanwha Group's 66<sup>th</sup> Anniversary



*Seung Youn Kim, Chairman*

Beloved Members of the Hanwha Family,

Last Saturday, dazzling fireworks lit up the autumn night sky over the Hangang River as Hanwha Group hosted the annual Seoul International Fireworks Festival.

Seeing the brilliant bursts of colors and shapes come together in a spectacular display, I was reminded of the countless members of the Hanwha family who've worked together to help Hanwha Group grow in the last 66 years. And I am humbled and grateful. Please let me take this moment to express my gratitude to all of you in the Hanwha Community. I would also like to thank our partner companies, our esteemed founder and all the members of Hanwha Group who preceded us.

The challenges that members of Hanwha went through 66 years ago marked also the historical beginning of Korea's impressive industrial growth. The indomitable entrepreneurial spirit that led Hanwha to localize dynamite during the Korean War, is the same engine that drives us now to build an entire city in the middle of a desert. This spirit has guided us to passionately pursue clean energy solutions around the world, secure people's safety, and pioneer the future of digital finance. It has been an era of new waves and a revolution; however, we must never stop exploring and innovating if we are to become the leader across industries.

This past August, Hanwha Group announced its mid to long-term management strategies for continuous growth to both internal and external stakeholders. Over the next five years, we will invest in our core businesses, create jobs, and develop mutually beneficial partnerships. This is to fulfill an ongoing commitment to our society, which will at the same time help us address domestic and overseas business challenges as we push the boundaries of what we can do. And by strengthening our foundation, we are setting the stage for future growth - an era when Hanwha Group can achieve 100 trillion Korean Won (88.5 billion USD) in sales.

It is said that **there is no end to a journey of innovation**. I am convinced this is true but I also know that innovation must be accompanied by resolute adherence to strong business fundamentals and continuous work to keep up with the changing times. This is why at the beginning of 2018, I stressed that we must implement company-wide improvements to our corporate structure so that we can better cope with rapid changes in our business landscape. We have undergone reorganization to be more self-sustaining and have delegated more responsibilities to our subsidiaries so that they are empowered to react and adapt. We must constantly innovate and update both our hardware and software capabilities as befits a 21st century company.

So, to stay true to our values and improve in all that we do, we need to acquire talent to advance and lead our organizational culture through the Fourth Industrial Revolution. From corporate leadership all the way down to each and every single individual, we must adopt this spirit and transform ourselves to become a truly global innovative company.

**Innovation comes from a culture of diversity, not homogeneity.**

Over the last 66 years, Hanwha Group has built the foundation for future growth through numerous M&As. In doing so, people from diverse backgrounds have come together, compensating for one another's shortcomings while enhancing one another's strengths. A flat organizational culture, where new ideas are freely given and welcomed, will become more and more important in the Fourth Industrial Revolution. Creative energy and genuine innovation can only come from diverse perspectives and experiences. Open meritocracies will become the cornerstones for greater prosperity.

**We must embrace challenges that come our way and be more afraid of relying on our successes than failing in our efforts.**

Had our founder been hesitant and afraid to fail 66 years ago, there would not have been Hanwha Group today. Looking back 20 years ago or even just 10 years ago, we can see how dramatically we have changed. Though there were times of extreme struggles and difficulties, who we are today is the result of those changes and incessant challenges we faced in the midst of highs and lows. A successful organization capitalizes on failures by learning from them to transform and leap towards tomorrow's opportunity, instead of resting on the laurels of yesterday's success.

Silicon Valley became a modern miracle through an innovative mindset that considered failure as just something you encounter on the way to success. We must adopt this mindset by constantly asking ourselves what it will take to transform the Hanwha Group 10 years from now. What will it take to secure the knowledge and technology necessary to create future value? Remember, the greatest successes come from the failures that stopped others from continuing.

Let's not compete against one another to win, but collaborate to succeed together.

Today, working together is more important than ever. Even in a competitive environment, we must develop a culture that encourages cooperation and collaboration. We must move forward towards success together. Our belief and faith in one another will become our core competency, something that our competitors will have difficulty emulating.

Our newly established Fair Partnership Management Committee was formed to deliver our promise to grow together and build a partnership that is fair and transparent. We'll start by transforming our internal culture and forming a new corporate ecosystem designed to create win-win solutions.

Dear Hanwha Family!

I write to you as we enter autumn with the belief it can still be spring for Hanwha. Our accomplishments in the last 66 years are just the beginning of a bold journey ahead. My heart races with excitement to know that there will be many more challenges to face and goals to reach. So, let us now prepare for this brave new world, this undiscovered country. The work we must do now may seem daunting, but we must do so with fortitude and plant the seeds today to bear the fruits tomorrow.

It's been a great journey. Think about how we got here today - it's inspirational. Our journey, however, must continue, and we must persevere because what lies ahead will be nothing short of amazing. Together, let us regard today as the first day of a new beginning that I hope someday, far into the future, we can look back to it as meaningfully as we do the last 66 years.

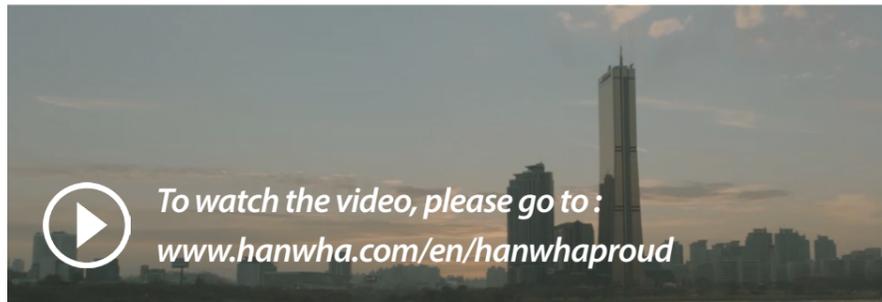
Thank you very much.

***Seung Youn Kim***

***Chairman***

***October 9, 2018*** ■

**Celebrating** How Far We've Come and How Far We'll Go



This year marks the **66th anniversary** of Hanwha Group.

From its humble beginnings to the Fortune Global 500, Hanwha Group has had an amazing journey to becoming a global business leader.

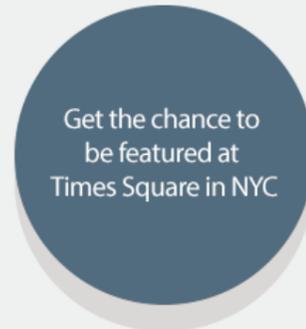
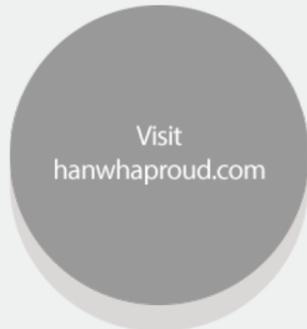
We take pride in knowing that our amazing story is made possible by you: **the Hanwha Family.**



Now, we are asking you to share with us your own story –  
***What makes YOU proud of being a part of Hanwha***



Join the Hanwha PROUD. campaign and let us know of a moment when you felt proud to be a member of the Hanwha Family.



All Hanwha PROUD. campaign entries will be compiled into a video that will be screened at Times Square in NYC.



6 submitters to be featured in the Hanwha PROUD. campaign posters that will be displayed throughout our plants and offices next year.



The randomly selected 66 entries will receive a Hanwha-themed special gift box.

Now, come and tell us YOUR story.

[Visit hanwhaproud.com >>](http://www.hanwhaproud.com)

# Hanwha Corporation/Machinery *Customizable Precision on Display at IMTS 2018*

- Hanwha's new CNC automatic lathe is introduced for the first time outside of Korea
- A new collaboration machinery and Smart Factory solutions are demonstrated at the tradeshow



*Hanwha Corporation/Machinery exhibited several different CNC automatic lathe models at its booth at IMTS 2018*

Hanwha Corporation/Machinery unveiled six industrial machineries including its brand new Computer Numerical Control (CNC) automatic lathe at the International Manufacturing Technology Show (IMTS) 2018 in Chicago, Illinois from September 10th through the 15th. Visitors to the booth were particularly impressed by the high level of customizability of the products and their thermal displacement calibrating systems.

More than 2,000 exhibitors from 100 countries were at hand to put their products and services on display for over 110,000 visitors. Hanwha Corporation/Machinery has been exhibiting at the show every year since 1990.

During the trade show, special efforts were made to reach market segments that require the type of extreme precision Hanwha Corporation/Machinery's products offer - these included the automotive parts manufacturers and medical device manufacturers.

CNC automatic lathes use computer programs to machine metal parts without human input during the machining process. With improved precision and more powerful motors, it is an ideal tool for machining a wide variety of geometrically complex parts. Hanwha Corporation/Machinery excels at developing one of the most advanced CNC automatic lathes in the world. And an embodiment of the company's advancements in this machinery is the XD26II-V. The XD26II-V

was proudly on display at IMTS 2018. It was the first time that the XD26II-V CNC automatic lathe was exhibited outside of S. Korea.

Hanwha Corporation/Machinery also showcased its Intelligence CNC Prognostic System (Hi-CPS). Hi-CPS was developed as a smart factory solution to increase productivity. The system was designed to leverage cloud computing to enable customers to operate an entire factory from the convenience of a computer or a handheld device.

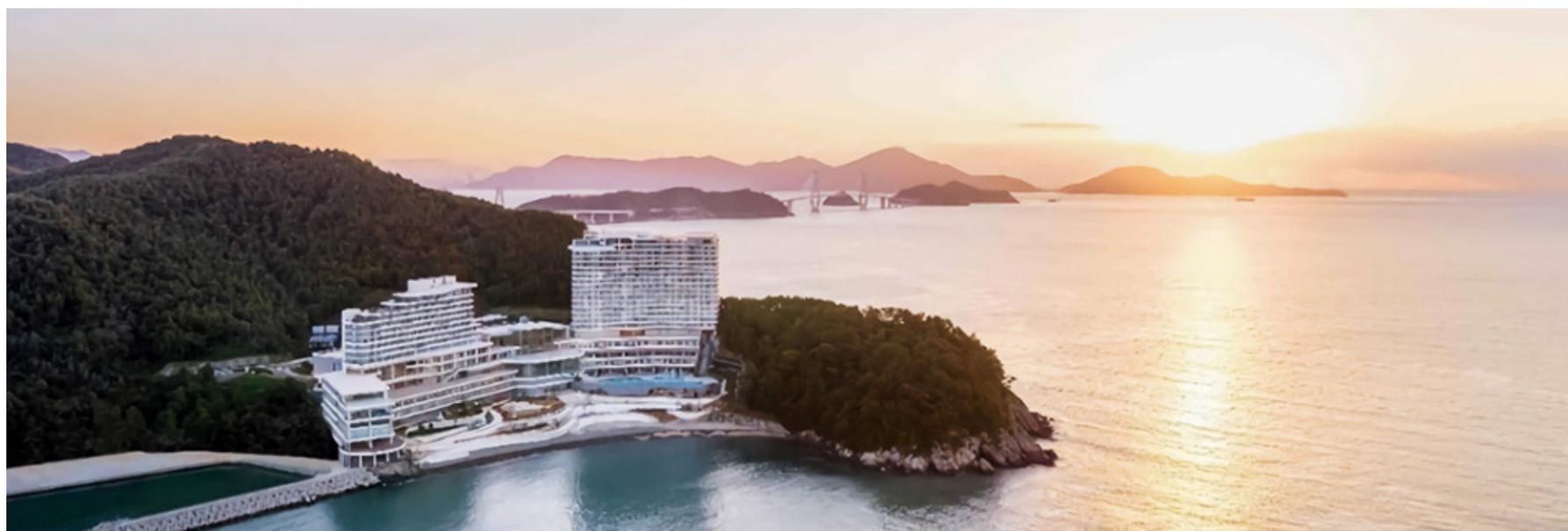
Another product that Hanwha Corporation/Machinery presented at IMTS 2018 was the Hanwha Collaborative Robot (HCR), the HCR served as a sneak peek to the future of the machining industry. The HCR can automatically feed raw materials to an XD38II CNC automatic lathe and then remove the machined part once the job is complete. This sophisticated machinery is increasingly gaining wider adoptions in the robotics markets worldwide.

"Our products provide the precision and flexibility our customers need," says Youn-chul Kim, CEO of Hanwha Corporation/Machinery. "And as the leader in the Korea machine tools market looking to become a leader in the global market, we will apply our know-how and experience to the automotive parts and medical device markets and grow our customer base." ■

Press Release

# A Seaside Luxury Experience Awaits at Hanwha Resort Geoje Belvedere

- The resort offers Korea's finest hospitality facilities with an infinity pool installed 100 meters above the ground, kids' entertainment zone, and local dining specialties
- Private floors, world-class F&B lineup, and butler services are also available to guests staying in premium rooms



Nestled within a beautiful bay, Hanwha Resort Geoje Belvedere offers guests a luxury seaside retreat featuring stunning views

Hanwha Resort Geoje Belvedere, the latest property by Hanwha Hotels & Resorts, was recently opened for business on October 15. Situated within a natural bay in Geoje, an island just off of Korea's southern coast, the resort offers guests a luxury experience with world-class facilities that more than matches the magnificent ocean views.

### Providing guests with la comodità e buona vista



Guests can enjoy beautiful sea views from their rooms

When Hanwha Hotels & Resorts decided to invest USD 240 million in this milestone project, the objective was to create a new luxury experience unlike any other in the local Korean hospitality industry. The result is a 111,000 square meter luxury marina resort with 470 rooms, offering premium hospitality facilities that include a private beach, and indoor and outdoor swimming pools.

Designed for the discerning luxury travelers of today in mind, Hanwha Resort Geoje Belvedere takes its name from the Italian term for "beautiful view". Its guestrooms provide stunning vistas of the sea from almost all vantage points. The sophisticated and modern interior of the guestrooms also feature accents and

furnishings made of natural materials that allow guests to feel better connected to the beautiful surroundings.

Guests can also choose from an array of sumptuous dining options, ranging from a world-class Italian restaurant to a succulent seafood bar on the Marina Terrace, as well as select dining options direct from local restaurants. Local produce and seasonal ingredients are featured throughout all the dining menus.

### Fun for all ages

There are plenty of water leisure activities for those looking for a bit more fun during their holidays. Guests can opt for sailing, island tours, yacht stay activities, and also enroll in the Yacht Academy for classes on how to operate dinghies, kayaks, and jet boats.



The Geoje Belvedere features the most up-to-date and well-equipped children's entertainment facilities in Korea

The resort is also ideal for families on holidays, with facilities catered for children of all ages. Children will be kept busy at the well-equipped Kids Entertainment Zone, featuring a 1,120 square meter trampoline park, a playroom themed after

the popular children's cartoon Pororo, a drawing café, and a block toy zone.

#### **Premium private zone for the relaxation of the mind, body, and soul**

Hanwha Resort Geoje Belvedere's EAST hall offers 98 premium guestrooms with its own exclusive facilities. The space was designed to allow guests to relax and fully enjoy Geoje's natural beauty in privacy.

On the EAST hall's 21st floor, guests can soak in expansive views of the beautiful blue bay from an infinity pool built 100 meters above the ground. During their stay, these guests can also enjoy private butler and valet services, while relaxing in the club lounge. Guests will be provided with AI speakers in their rooms that allow access to services through voice commands while tablet computers will provide a convenient check-in and check-out process.



*The Hanwha Resort Geoje Belvedere's infinity pool offers exclusive panoramic views*

Guests may also book in advance to experience Hanwha Resort Geoje Belvedere's Private Total Care Program. They can build a diet plan and put together a personalized luxury regimen comprising of yoga, meditation, spa treatments, and therapy through one-on-one sessions with expert therapists.

The F&B menu is curated by famous Korean chefs and top eateries to ensure a memorable gastronomic experience. Guests may also enjoy simple snacks and refreshments, as well as tuck into the buffet breakfast, at a premium lounge and the poolside bar.



*Guests staying in Premiere Terrace rooms can enjoy splashing and soaking in their own private pools*

#### **Elevating the Korean hospitality industry to a whole new level**

"With the opening of Hanwha Resort Geoje Belvedere, we are setting a new standard in the Korean hospitality industry," said Seok Moon, President of Hanwha Hotels & Resorts, during the new resort's ribbon-cutting ceremony. "By providing our guests with an unparalleled luxury holiday experience, we are establishing ourselves to be Korea's top resort company." ■

# Explore This Month's News of Hanwha and Its Affiliates, Taking the Initiative in All Corners of the World



## China



### Hanwha Chemical (Ningbo) Co.,Ltd.

#### Hanwha Chemical (Ningbo) Co. Ltd. Celebrates Ten Years in Business

On September 10, Hanwha Chemical (Ningbo) Co. Ltd.'s tenth anniversary celebrations kicked off in magnificent style at an employee gathering. In a congratulatory message, Hanwha Chemical CEO Chang-Bum Kim praised the achievements of all employees at the Ningbo plant, and offered words of encouragement and hope for another great decade of operations. After the festivities were completed, Hanwha Chemical (Ningbo) Co. Ltd. President Dong Seok Kim visited neighboring businesses and the Daxie Development Zone Committee to thank them for all their help and support in helping establishing Hanwha Chemical's success in the past decade.



## Germany



### Hanwha Q CELLS GmbH

#### Hanwha Q CELLS Connects Polish Solar Plant to the Grid

Hanwha Q CELLS' Engineering, Procurement, and Construction (EPC) division connected the first megawatt (MW) of an extensive solar portfolio in Poland. Located in Smętowo Graniczne, this 1MW plant was built to Hanwha Q CELLS' stringent quality, design, engineering, and construction standards.

The completion of this plant comes at a time as Hanwha Q CELLS finalizes the acquisition of 30MW of shovel-ready PV projects throughout Poland, bringing the company's total solar portfolio up to 45MW in the country. This portfolio represents 15% of all solar projects secured through the RES auction system.

Hanwha Q CELLS' solar projects in Poland are spread across 50 solar plants, awarded with a 15-year Contract for Differences (CfD) agreement from the Polish Energy Regulator (URE), which secures a fixed price for every kWh produced by these plants.

The Hanwha Q CELLS EPC team is very active in Poland, having identified the country as an appealing solar market due to the country's PV potential and the government's competitive auction process. 360MW worth of solar power capacity



has been awarded according to Polskie Towarzystwo Fotowoltaiki, the Polish Solar Energy Association. The association also estimates that Poland's total solar energy capacity could reach 1.2GW by 2020.



## Hanwha Q CELLS GmbH

### Hanwha Q CELLS Extends Partnership with RB Leipzig Until 2019/2020 Bundesliga Season

Hanwha Q CELLS and German Bundesliga side RB Leipzig recently announced that they have renewed their partnership for two additional seasons. Through this renewed partnership, Hanwha Q CELLS' "Engineered in Germany" solar solutions branding will be displayed prominently throughout the Red Bull Arena in Leipzig, Germany until the end of the 2019/2020 Bundesliga season.

"Continuing this important partnership with a renowned international company is an important step for us," says Oliver Mintzlaff, CEO of RB Leipzig. "Hanwha Q CELLS is the perfect partner because the company is exceptionally skilled in combining global innovation with local heritage."

Hanwha Q CELLS' branding will be given significant exposure through local and international media. The logo will be given prominence on the pitch carpets next to the stadium's goals and shown in rotation on the pitch's LED hoardings. In addition, Hanwha Q CELLS will be the exclusive brand featured on Red Bull



Stadium's team benches. Hanwha Q CELLS' branding will also be present in FIFA '19, the latest entry in EA Sports' long-running popular football video game.

"This partnership with RB Leipzig will continue to help us promote the Hanwha Q CELLS solar brand among consumers in Germany, Europe, and around the world," says Daniel Jeong, CTO and Head of Hanwha Q CELLS GmbH. "Hanwha Q CELLS and RB Leipzig are both young and dynamic brands, and we complement together perfectly. We are thrilled to be able to extend our partnership with the Red Bulls through to the end of the 2019/2020 season."



### Hanwha Tecwin Plants Its Flag in Europe and North America

In September of 2018, Hanwha Tecwin took part in two concurrent security exhibitions in North America and Europe, demonstrating its strong position in the security technology industry in both continents.

Security Essen, held in Essen, Germany, is the largest security device exhibition in the DACH region of Europe, covering Germany, Austria, and Switzerland while Global Security Exchange (GSX) is a major North American security event that takes place in a different American city each year.

At Security Essen, which attracted over 1,000 exhibitors from 40 countries, Hanwha Tecwin showcased its award-winning Wisenet series of security cameras along with a selection of multi-direction, thermal, and scanning cameras. One popular attraction at the Hanwha Tecwin booth was a darkened room where visitors could try and identify different objects with a thermal camera. Hanwha Tecwin's scanning camera was also of particular interest to the European audience at Security Essen as the technology can be used to identify damage to the countless shipping containers that go in and out of Europe's many seaports.



At GSX, which was held in Las Vegas this year, Hanwha Tecwin also showcased the Wisenet series, particularly the Wisenet X Plus, which has a modular design that allows for easy installation while also reducing the total cost of ownership. GSX 2018 featured 550 companies and attracted 20,000 security experts from around the world.

"Europe and North America are core markets for many security companies," says a spokesperson for Hanwha Tecwin. "We were able to solidify our position in the European market by participating in Security Essen while GSX 2018 will help us increase our rising market share in North America."



## Hanwha Advanced Materials México, S. de R.L. de C.V.

Keimyung University Students Get a Taste of La Vida Mexicana



Ten students from Korea's Keimyung University recently visited Hanwha Advanced Materials Mexico (HAMX) on a one-day field trip to learn more about the business as well as what it's like to be a Korean employee posted at the facility. These students, all majoring in Spanish, learned about Hanwha Group and HAMX from

CEO Sunpil Yoo before going on a factory tour with CTO Hongrae Noh. During the tour, CTO Noh gave the students a detailed explanation of HAMX's production processes. The students also spent time with Hanol Lee, a Keimyung alumna, and learned from her experiences in working in logistics at HAMX and living in Mexico.

## **United Kingdom**

 **Hanwha Q CELLS**

### **Hanwha Q CELLS GmbH**

#### **Hanwha Q CELLS GmbH Brings the Sun Closer to Home in London**

Hanwha Q CELLS GmbH is partnering with Solarcentury, the UK's leading solar power company, to provide London residents with award-winning Q.PEAK DUO-G5 half-cell solar modules. This is being done as part of London's innovative The Solar Together London Scheme.

The scheme, launched in March of 2018, gives London homeowners the opportunity to pool together and take competitive bids for solar power systems to be purchased in bulk. Through Solarcentury's winning bid, 600 households will have Q.PEAK DUO-G5 solar modules installed on their rooftops. These households are expected to save 10% to 41% in energy costs.

Solar Together London is a part of Mayor of London Sadiq Khan's Solar Action Plan, which aims to have 1 gigawatts of solar capacity installed in London by 2030. "We hope the capital demonstrates to the rest of the country that residential solar



is an affordable, reliable, and attractive proposition," says Sean Collier, Head of Sales UK at Hanwha Q CELLS.

"We are delighted to have won this highly sought-after contract," adds Gary Watson, Solar Together London Project Manager at Solarcentury. "We offer the best value and highest quality products, amply demonstrated by our selection of the Q.PEAK DUO-G5 for the high performance package."

## **United States of America**

 **Hanwha Advanced Materials**

### **Hanwha Azdel, Inc.**

#### **Hanwha Azdel Shows Motown the Latest in Automotive Composites**

Peng Cheng, a Product Developer at Hanwha Azdel, attended the 18th annual Automotive Composites Conference & Exhibition, organized by the Society of Plastics Engineers in Novi, Michigan, USA.

During the event, Cheng presented attendees with new developments in lightweight reinforced thermoplastic (LWRT) composites from Hanwha Azdel and explained how these materials can benefit the automotive body parts industry.



 **Hanwha Advanced Materials**

### **Hanwha Azdel, Inc.**

#### **Hanwha Azdel Award Winners to Attend Ceremony**

Hanwha Azdel is proud to announce that two members are set to receive the Hanwha Advanced Materials Global Award in October. Mike Clay and Justin Carwile distinguished themselves through their hard work and contribution to Hanwha Azdel's business success. They will be flying to Korea to attend the Global Award ceremony.





## Vietnam



### Hanwha Life Insurance Vietnam Ltd.

#### Hanwha Life Vietnam Taps Drivers for “Love Hanwha, Love Your Car” Brand Campaign

Hanwha Life Vietnam recently kicked off “Love Hanwha, Love Your Car”, a street-level campaign to increase brand awareness in the country. Through this campaign, the company is looking to catch the eye of everyday people through stickers attached to the campaign participants’ vehicles.

Hanwha Life Vietnam employees and customers are encouraged to affix “I Love Hanwha” stickers onto their cars in exchange for fuel subsidies and special gifts throughout the duration of the campaign that will run for six months. The amount of fuel subsidies that drivers will receive is determined by how prominently the sticker is displayed on their cars.

In October, drivers participating in the campaign will also get to participate in a special Facebook photo contest. They just have to post a photo of their vehicle in a public place with the sticker clearly visible, and send the link to the campaign organizers for the chance to win prizes like suitcases, umbrellas, and travel pillows.



Response to Hanwha Life Vietnam’s campaign has been positive and nearly 500 car owners have registered to participate so far. Branding of cars is an effective promotional method in Vietnam due to the high amount of vehicle traffic. Cars with eye-catching branding are able to attract attention as they drive around, increasing brand awareness at a very low cost. ■